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WALKER DIGITAL MANAGEMENT, LLC 2 HIGH RIDGE PARK STAMFORD, CT 06905			EXAMINER ROBINSON BOYCE, AKIBA K	
			ART UNIT 3628	PAPER NUMBER
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**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

# Office Action Summary

**Application No.**

09/223,901

**Applicant(s)**

WALKER ET AL.

**Examiner**

AKIBA K. ROBINSON BOYCE

**Art Unit**

3628

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 07 April 2010.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-49, 61-63 and 88-99 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-49, 61-63 and 88-99 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SE-02)
- 4) ☐ Interview Summary (PTO-413)
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: \_\_\_\_\_
- Paper No(s)/Mail Date \_\_\_\_\_

## **DETAILED ACTION**

### ***Status of Claims***

1. Due to communications filed 9/17/09, the following is a final office action. No claims have been amended. Claims 1-49, 61-63, and 88-99 are pending in this application. The previous rejection has been maintained.

### ***Claim Rejections - 35 USC § 103***

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 1-3, 5-7, 13, 14, 20-22, 24-26, 31, 61-63, 88, 91, 93-96 are rejected under 35 U.S.C. 103(a) as being unpatentable over Atkinson et al (US 20080162330 A1), and further in view of Minh (US 5076588).

As per claims 1, 2, 20, 21, 24-26, 31, 61-63, 88, 91, 93-96 Atkinson et al discloses:

identifying a product subject to bidding during an auction session/receiving an identification of a product/means for identifying a product subject to bidding during an auction session, ([0039], lines 11-12, stating a good that it desires to sell);

receiving a bid/a second bid/a prior bid/transmitting, across a computer network/means for receiving a bid for the product from a bidder during the auction session/receiving a bid for a product from a first bidder..., ([0039], receiving bids from parties wishing to purchase the good).

determining, based on a reward rule, whether the bidder is qualified to receive a reward other than the product/determining, based on the bid whether the bidder is qualified to receive a reward/determining whether the greatest bid is at least equal...the bidder is qualified to receive the reward/determining, based on the reward rule.../wherein the prior bid is received from the bidder/wherein the prior bid is received from a second bidder/establishing the reward rule.../means for determining, based on a reward rule.../determine, based on a reward rule.../determining, based on a reward rule.../determining that the required auction session conditions are satisfied by current auction data/ determining which of the bidders are qualified to receive an offer message, ([0045], lines 1-6, After the auction, the auction coordinator 20 may analyze the auction results with the sponsor 10. The sponsor 10 typically conducts final qualification of the low bidding supplier or suppliers 30. The sponsor 10 may

furthermore retain the right not to award business to a low bidding supplier 30 based on final qualification or other business concerns and [0036], lines 9-11, shows that the best bidder 30 is typically awarded a contract to supply the items in the lot);

transmitting, to the bidder, if the bidder is qualified, an indication that the bidder is qualified to receive the reward/means for transmitting to the bidder, an indication that the bidder is qualified to receive the reward/retrieving required auction session conditions/transmitting an offer message to at least one qualified bidder/determining that the bidder accepted the offer/assigning a reward to the bidder/ transmitting, if the first bidder is qualified, an indication, ([0045], lines 6-8 shows at least one supply contract is usually drawn up and executed based on the results of the auction, which suggests a transmittal of an indication since once the execution of a contract is completed, this serves to the bidding supplier that he was qualified for that contract and the contract would not be executed if the bidding supplier were not qualified, and in [0069], lines 1-24 shows the sponsor 10 will then apply the rule that awarded bidders 30 may not participate in subsequent rounds to an appropriate occurrence in the first round of the auction at 214, and shows an example that the rule is applied to the outcome and, more specifically, to the awarded bidder 30, to determine participation in the second auction round, and thus, the bidder 30 that is awarded a contract in the first auction round has a choice whether to or not to participate in the second auction round);

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to disclose a transmittal that the bidder is qualified with the motivation of providing the bidder proof of qualification.

The process is repeated for a second bidder, [0039], multiple potential buyers and sellers, forward auctions having a single seller and multiple potential purchasers).

a storage device, ([0049]); a processor connected to the storage device, ([0049], [processor]); the storage device storing a program for controlling the processor/A computer readable medium encoded with processing instructions ([0049], program)

Atkinson et al does not specifically disclose a reward rule/retrieving offer recipient rules associated with bidders participating in the auction session/determining based on a reward rule, however does disclose the sponsor 10 may formulate a rule conditioning the inclusion of a bidder 30 in a subsequent auction round on that bidder 30 having not been awarded a contract in a preceding round in [0069], lines 8-11.

However Minh discloses a system where each card is auctioned amongst the players and the highest bidding player will be the deciding and the receiving player as shown in col. 9, lines 65-68. In addition, Minh discloses that each card bears a plurality of states

of nature which can be uniquely realized by a chance device, a plurality of probabilities that each state of nature is realized and a plurality of rewarding rules, each of which associates each state of nature with a unique reward in col. 3, lines 7-13. It therefore would be obvious to combine the teachings of Atkinson et al and Minh to disclose reward rules.

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to disclose a reward rule with the motivation of showing that certain rules must be followed in order to qualify for a reward.

As per claims 3, 13,14, 22, Atkinson et al discloses:  
  
determining whether the bid is greater than each of a plurality of remaining bids/prior bid/wherein the reward includes a condition that the bid from the bidder is greater than each bid received from the plurality of remaining bidders/determining which of the at least one bids is a greatest bid, ([0052], the present invention may be advantageously utilized with forward auctions, wherein the party offering the highest priced qualified bid, rather than the lowest priced qualified bid, is awarded the goods or services being sold).

As per claim 5, Atkinson et al discloses:  
  
wherein the reward rule comprises a condition that the bidder accept an offer provided by a third party, ([0039], the sponsor would typically be the supplier or seller of one or

more goods or services and that sponsor might state a good that it desires to sell and receive bids from parties wishing to purchase that good).

As per claim 6, Atkinson et al discloses:

Transmitting, before the determining step, an offer to the bidder for a second product provided by the third party; receiving an acceptance of the offer from the bidder; whereby the bidder is qualified to receive the reward, ([0067], award contracts to multiple bidders 30 in multiple rounds).

As per claims 7, 40, Atkinson et al discloses:

wherein the second product is a service, ([0039], services).

4. Claims 8, 10-12, 15, 16, 17, 23, 28-30, 37-39, 41, 42, 89, 92, are rejected under 35 U.S.C. 103(a) as being unpatentable over Atkinson et al (US 20080162330 A1), and further in view of Minh (US 5076588), and further in view of Walker et al (US 6,108,639).

As per claim 8, neither Atkinson et al nor Minh disclose the following, however Walker, et al. discloses:

wherein the service is a credit card account and wherein the third party is a credit card provider, (Col. 9, line 62-Co1.10, line 15, [credit or debit card account]).



It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to disclose a credit card account with the motivation of incorporating credit card payments into an auction system.

As per claims 10, 89, 92, neither Atkinson et al nor Minh disclose the following, however Walker, et al. discloses:

determining whether the bidder has an acceptable credit history before the offer is transmitted to the bidder/ which further comprises, prior to determining whether the first bidder is qualified to receive a reward, determining whether the first bidder has sufficient funds to pay a value of the bid., (Col. 10, lines 16-26, [authorization]).

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to disclose determining whether the bidder has an acceptable credit history before the offer is transmitted to the bidder/ which further comprises, prior to determining whether the first bidder is qualified to receive a reward, determining whether the first bidder has sufficient funds to pay a value of the bid with the motivation of securing the idea that a payment can be made.

As per claims 11, 12, Atkinson et al discloses:

receiving at least one bid for the product from each of a plurality of remaining bidders/wherein the step of receiving at least one bid is performed prior to the step of

receiving the bid, ([0078], The winning bidder 30 in the second auction round will then be awarded a contract for the remaining quantity of goods required by the sponsor 10).

As per claims 15, 16, 23, 28-30, Atkinson et al discloses:

wherein the reward rule comprises a condition that the bid from the bidder is greater than the greatest bid by a certain percentage/currency value/that the bid exceed a prior bid by a predetermined value, ([0074], the top ten percent, or twenty bidders in the example provided, in the first round auction may be permitted to participate in the second online auction round.

As per claim 17, Atkinson et al discloses:

wherein the reward rule comprises a condition that the bid is the first received bid, [0015], identity of one or more leading bidders in the first round).

As per claim 37, neither Atkinson et al nor Minh disclose the following, however Walker, et al. discloses:

receiving personal data from the bidder including at least one of a name, and address and a financial account identifier belonging to the bidder, (Col. 8, lines 12-21, [buyer name]).

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to disclose the receipt of personal data with the motivation of showing that personal data is used to conduct an auction for a specific participant.

As per claim 38, neither Atkinson et al nor Minh disclose the following, however Walker, et al. discloses:

Verifying the personal data with a third party, (Col. 8, lines 22-25, [buyer identifier used to index the offer database]).

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to disclose verifying the personal data with a third party with the motivation of ensuring that the person bidding is the right person.

As per claim 39, Atkinson et al discloses:

Receiving the bid from the bidder over one of a telecommunications network and the Internet, ([0047], bidders 30 may be connected to the auction through the Internet via a network service provider 40 accessed, for example, through a dial-up telephone connection).

As per claim 41, Atkinson et al discloses:  
providing the reward to the bidder, ([0036], lines 9-11, shows that the best bidder 30 is typically awarded a contract to supply the items in the lot).

As per claim 42, neither Atkinson et al nor Minh disclose the following, however Walker, et al. discloses:

receiving, from the bidder, a payment to close the auction session, (Col. 16, lines 17-22, [initiating the use of payment identifiers]).

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to disclose receiving, from the bidder, a payment to close the auction session with the motivation of ensuring that the person bidding pays for his auction session.

5. Claim 47, is rejected under 35 U.S.C. 103(a) as being unpatentable over Atkinson et al (US 20080162330 A1), and further in view of Minh (US 5076588), and further in view of Walker et al (US 6,108,639), and further in view of Franchi (US Patent 5,770,533).

As per claim 47, neither Atkinson et al nor Minh nor Walker, et al. disclose wherein the reward rule includes a condition that the reward is issued randomly, however Franchi discloses:

wherein the reward rule includes a condition that the reward is issued randomly, (col. 28, lines 46-48, [door prize randomly awarded]). Franchi discloses this limitation in an analogous art for the purpose of showing that participants who place bets can receive an award as an incentive to continue participating.

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to issue a reward randomly with the motivation of persuading all

bidders in the auction to continue bidding for a possibility of receiving the random prize.

6. Claim 46 is rejected under 35 U.S.C. 103(a) as being unpatentable over Atkinson et al (US 20080162330 A1), and further in view of Minh (US 5076588), and further in view of Walker, et al. (US Patent 6,018,639),and further in view of Franchi (US Patent 5,770,533),and further in view of Fisher et al (US 6,243,691).

As per claim 46, neither Atkinson et al nor Minh nor Walker nor Franchi specifically disclose terminating the reward if a higher bid is received from a second bidder, however Fisher discloses terminating the reward if a higher bid is received. Fisher discloses this limitation in an analogous art for the purpose of showing that a participant will not be rewarded if they do not meet certain qualifications.

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to terminate the reward if a higher bid is received because since the highest bid is the prizewinner, the lower bid would automatically become disqualified.

7. Claims 32 and 33 are rejected under 35 U.S.C. 103(a) as being unpatentable over Atkinson et al (US 20080162330 A1), and further in view of Minh (US 5076588), and further in view of Walker, et al. (US Patent 6,018,639),and further in view of Franchi (US Patent 5,770,533),and further in view of Scholldorf (EP 0 411 748 A2).

As per claims 32, 33, neither Atkinson et al nor Minh nor Walker nor Franchi specifically disclose measuring a time between the bid and a previous bid from a second bidder; establishing a reward rule including a condition that the bidder is qualified to receive the reward when the time is greater than a predetermined value; determining whether the time between the bid and the previous bid is greater than the predetermined value, however, Scholldorf discloses: measuring a time between the bid and a previous bid from a second bidder; establishing a reward rule including a condition that the bidder is qualified to receive the reward when the time is greater than a predetermined value; determining whether the time between the bid and the previous bid is greater than the predetermined value, (Page 9, line 46-Page 10, line 11, [bids are entered into the system in a time order and are time stamped]. Scholldorf discloses this limitation in an analogous art for the purpose of showing that the time between a first bid on the right most and the last bid on the left most can easily be determined.

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to measure the time between a bid and a previous bid, and to determine if the bidder is qualified to receive the reward when the time is greater than a predetermined value because this would ensure that the auction/product purchase session does not go on past a certain time.

8. Claim 43 is rejected under 35 U.S.C. 103(a) as being unpatentable over Atkinson et al (US 20080162330 A1), and further in view of Minh (US 5076588), and further in

view of Walker, et al. (US Patent 6,018,639), and further in view of Franchi (US Patent 5,770,533), and further in view of Baraldi "Efficient parallel algorithms for the minimum cost flow problem", Journal of Optimization Theory and Applications (Dec. 1997), vol. 95, no.3, p. 501-30.

As per claim 43, neither Atkinson et al nor Minh nor Walker nor Franchi specifically disclose wherein the payment is determined from a parallel auction, however, Baraldi discloses: wherein the payment is determined from a parallel auction, (entire abstract, [shows minimum cost is determined through a parallel auction algorithm]). Baraldi discloses this limitation in an analogous art for the purpose of showing that parallel auctions are used to influence minimum cost.

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to determine the payment from a parallel auction because this payment price would be close to the average price. Parallel auctions are commonly used as backbones for auctions that presently take place.

9. Claims 44, 45 are rejected under 35 U.S.C. 103(a) as being unpatentable over Atkinson et al (US 20080162330 A1), and further in view of Minh (US 5076588), and further in view of Walker, et al. (US Patent 6,018,639), and further in view of Franchi (US Patent 5,770,533), and further in view of Waren Publishing "Budget Leaves Out Spectrum Fee", Television Digest, (13 Feb. 1995), Vol. 35, No. 7.

As per claim 44, neither Atkinson et al nor Minh nor Walker nor Franchi specifically disclose receiving, from the bidder, a payment to extend the auction session, however, Waren Publishing discloses: receiving, from the bidder, a payment to extend the auction session, (1st paragraph, [users are charged spectrum fees in order for auction authority to be extended]. Waren Publishing discloses this limitation in an analogous art for the purpose of making it possible of the auction to continue for a longer period of time.

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to receive, from the bidder, a payment to extend the auction session because it is common in the auctions of the present for a bidder to pay for his/her time. This would increase the flow of funds/payments towards the company/business.

As per claim 45, neither Atkinson et al nor Minh nor Walker nor Franchi, nor Waren Publishing disclose determining the payment from a parallel auction, however, Official notice is taken that it is old and well known in the auction art to determine the payment from a parallel auction. It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to determine the payment from a parallel auction because this payment price would be close to the average price, and parallel



auctions are commonly used as backbones for auctions that presently take place.

10. Claims 4, 9, 18, 19, are rejected under 35 U.S.C. 103(a) as being unpatentable over Atkinson et al (US 20080162330 A1), and further in view of Minh (US 5076588), and further in view of Walker, et al. (US Patent 6,018,639), and further in view of Franchi (US Patent 5,770,533), and further in view of Fischel (US 4,856,788).

As per claim 4, this claim meets all limitations as discussed above with respect to claim 1. However, in addition, neither Atkinson et al nor Minh nor Walker nor Franchi disclose a reward with a value of currency, however Fischel discloses in Col. 21, lines 32-50: "The rule for these assets is that their CURRENT VALUE always equals face value, regardless of what happens to the relevant key indicator. To understand why this must be so, consider a D-mark government bond with a U.S. \$10,000 face value. Suppose that a FACTS & FIGURES card indicates a 0.10 DM/\$ appreciation in the German currency. The ECONOMIST strikes out 2.00 DM/\$ and writes instead 1.90 DM/\$ on the CONTROL PANEL. The FACTS & FIGURES card would also indicate that DM holdings go up by \$500. According to the rules, a player holding DM thus collects \$500 from the Bank per \$10,000 note he owns. If the current value of his asset now would also rise in line with the relevant KEY INDICATOR, the investor would be rewarded twice for the same event". It therefore would be obvious to combine Atkinson et al, Minh, Walker, Franchi and Fischel to disclose a reward with a value of currency.

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to comprise the reward of a value of currency because this is a traditional way of rewarding a customer in the promotion art. This type of promotion will give the customer/bidder more incentive to continue to purchase/bid.

As per claim 9, this claim meets all limitations as discussed above with respect to claims 1, 5, 6. However, in addition, neither Atkinson et al nor Minh nor Walker nor Franchi disclose wherein the reward is a supplement to the bid, the supplement including a value of currency, however Fischel discloses in Col. 21, lines 32-50: : "The rule for these assets is that their CURRENT VALUE always equals face value, regardless of what happens to the relevant key indicator. To understand why this must be so, consider a D-mark government bond with a U.S. \$10,000 face value. Suppose that a FACTS & FIGURES card indicates a 0.10 DM/\$ appreciation in the German currency. The ECONOMIST strikes out 2.00 DM/\$ and writes instead 1.90 DM/\$ on the CONTROL PANEL. The FACTS & FIGURES card would also indicate that DM holdings go up by \$500. According to the rules, a player holding DM thus collects \$500 from the Bank per \$10,000 note he owns. If the current value of his asset now would also rise in line with the relevant KEY INDICATOR, the investor would be rewarded twice for the same event". It therefore would be obvious to combine Atkinson et al, Minh, Walker, Franchi and Fischel to disclose wherein the reward is a supplement to the bid, the supplement including a value of currency.

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to disclose wherein the reward is a supplement to the bid, the supplement including a value of currency because this is a traditional way of rewarding a customer in the promotion art. This type of promotion will give the customer/bidder more incentive to continue to purchase/bid.

As per claim 18, this claim meets all limitations as discussed above with respect to claims 1, 5, 6. In addition, Atkinson discloses:

wherein the reward rule comprises a condition that the bid is a first received bid, ([0015], identity of one or more leading bidders in the first round).transmitting, to the bidder if the bidder is qualified, an indication that the bidder is qualified to receive the reward.

However, in addition, neither Atkinson et al nor Minh nor Walker nor Franchi disclose wherein the reward is a currency value corresponding to a value of the bid, however Fischel discloses in Col. 21, lines 32-50: : "The rule for these assets is that their CURRENT VALUE always equals face value, regardless of what happens to the relevant key indicator. To understand why this must be so, consider a D-mark government bond with a U.S. \$10,000 face value. Suppose that a FACTS & FIGURES card indicates a 0.10 DM/\$ appreciation in the German currency. The ECONOMIST strikes out 2.00 DM/\$ and writes instead 1.90 DM/\$ on the CONTROL PANEL. The

FACTS & FIGURES card would also indicate that DM holdings go up by \$500.

According to the rules, a player holding DM thus collects \$500 from the Bank per \$10,000 note he owns. If the current value of his asset now would also rise in line with the relevant KEY INDICATOR, the investor would be rewarded twice for the same event". It therefore would be obvious to combine Atkinson et al, Minh, Walker, Franchi and Fischel to disclose wherein the reward is a currency value corresponding to a value of the bid.

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to disclose wherein the reward is a currency value corresponding to a value of the bid because this is a traditional way of rewarding a customer in the promotion art. This type of promotion will give the customer/bidder more incentive to continue to purchase/bid.

11. Claims 19 is rejected under 35 U.S.C. 103(a) as being unpatentable over Atkinson et al (US 20080162330 A1), and further in view of Minh (US 5076588), and further in view of Braley (US 4,940,240).

As per claim 19, this claim meets all limitations as discussed above with respect to claims 1, 5, 6. However, neither Atkinson et al nor Minh disclose wherein the reward corresponds to a difference between the bid and a greatest bid, however Braley

discloses:

wherein the reward corresponds to a difference between the bid and a greatest bid, (Col. 10, lines 38-41). Braley discloses this limitation in an analogous art for the purpose of giving the winner the most reasonable reward for the bid that was submitted.

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to have the reward correspond to a difference between the bid and a greatest bid because this is the amount in which the highest bidder goes over the normal bid price. Since the highest bidder is the one who is rewarded, it is logical to reward the bidder with the amount that he/she has put out to win.

12. Claims 27, 34, 35, 36, 48, 49, are rejected under 35 U.S.C. 103(a) as being unpatentable over Atkinson et al (US 20080162330 A1), and further in view of Minh (US 5076588), and further in view of Walker, et al. (US Patent 6,018,639), and further in view of Franchi (US 5,770,533), and further in view of Barzilai, et al (US Patent 6,012,045).

As per claim 27, 34, 35, 36, 48, neither Atkinson et al nor Minh nor Walker nor Franchi disclose comparing a participation history of the bidder and the second bidder; and awarding the product based on the comparison/establishing a reward rule that a historic participation meets a predefined criterion; measuring the historic participation of

the bidder; and determining whether the historic participation meets the predefined criterion/wherein the predefined criterion includes a requirement that the bidder has participated in a t least one previous auction session/wherein the historic participation corresponds to...a number of previous auctions in which the bidder participated/wherein the reward to be offered is determined based on...the bidders participation history, however Barzilai, et al discloses: comparing a participation history of the bidder and the second bidder; and awarding the product based on the comparison/establishing a reward rule that a historic participation meets a predefined criterion; measuring the historic participation of the bidder; and determining whether the historic participation meets the predefined criterion/wherein the predefined criterion includes a requirement that the bidder has participated in a t least one previous auction session/wherein the historic participation corresponds to...a number of previous auctions in which the bidder participated/wherein the reward to be offered is determined based on...the bidders participation history, (Col. 12, line 67-Col. 13, line 24). Barzilai et al discloses this limitation in an analogous art for the purpose of determining how much profit one can receive in an auction environment due to the history of the bidder.

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to compare a participation history of the bidder and award the product based on the comparison because this would encourage the bidder to continue his/her participation. It would also have been obvious to one of ordinary skill in the art to use the amount of profit earned from the bidder as historic participation because this

information will reveal if the bidder is likely to come back to another session. This information is also bidder-specific and will be useful when pulling up bidder files.

As per claim 49, neither Atkinson et al nor Minh nor Walker *nor Franchi disclose* receiving/transmitting an encrypted indication, however Barzilai, et al discloses: Receiving an encrypted indication of a time the bid was transmitted, (Col. 8, lines 20-32). Barzilai et al discloses this limitation in an analogous art for the purpose of securely showing times that a user submits his or her bid.

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to receive or transmit an encrypted indication of a time the bid was transmitted because this information would help enforce a time limit during a bidding session and would encourage bidders to submit bids early in order to receive certain types of rewards for early submissions.

13. Claims 67-83 are rejected under 35 U.S.C. 103(a) as being unpatentable over Atkinson et al (US 20080162330 A1), and further in view of Minh (US 5076588), and further in view of Walker, et al. (US Patent 6,108,639), and further in view of Franchi (US 5,770,533), and further in view of Kou (US Patent 6,363,365).

As per claims 67-83, 97-99, all limitations are disclosed by the combination of Atkinson et al, Minh (US 5076588), Walker et al '639, and Franchi as disclosed above with respect to claims 1, 2, 3, 5, 11, 13, 15, 16, 37, 39, 42, 43, 46, 48, and 49

respectively, however this combination does not specifically disclose the following, however Kou discloses:

the submission of an encrypted date and time of submission of the bid from a bidder during the auction session, (Col. 6, lines 45-57, encryption session key that contains date information);

decrypting the date and time of submission, (Col. 7, lines 1-8, decrypts the encrypted information);

accepting the bid if the decrypted date and time of submission indicates that the bid was submitted before a scheduled closing time of the auction session, (Col. 7, lines 8-15, generates the bid proposal) ;

Kou discloses the above limitations in an analogous art for the purpose of securing bid submissions.

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to submit encrypted date and time of submission of the bid from a bidder during the auction session, to decrypt the date and time of submission, and to accept the bid if the decrypted date and time of submission indicates that the bid was submitted before a scheduled closing time of the auction session with the motivation of securing bid proposals for a certain date, and inherently time.

14. Claim 90 is rejected under 35 U.S.C. 103(a) as being unpatentable over Atkinson et al (US 20080162330 A1), and further in view of Minh (US 5076588), and further in



view of Walker, et al. (US Patent 6,108,639), and further in view of Franchi (US Patent 5,770,533) and further in view of Pionchon (US Patent 5,200,890).

As per claim 90, neither Atkinson et al nor Minh nor Walker *nor* Franchi disclose the following, however, Pionchon discloses:

determining whether the bid of the first bidder is greater than a current bid; and

assessing a penalty against the first bidder if the bid of the first bidder is less than the current bid, (Col. 7, lines 15-24). Pionchon discloses this limitation in an analogous art for the purpose of showing that if the bidder does not meet certain standards, then that bidder can not continue being a participant.

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to assess a penalty against the first bidder if the bid of the first bidder is less than the current bid since the opposite of an award is a penalty, the penalty rule would be applicable in this case.

### ***Response to Arguments***

15. Applicant's arguments filed 4/7/10 have been fully considered but they are not persuasive.

Applicant argues that the Atkinson reference is improper since Applicants respectfully note that Atkinson is a continuation of U.S. Patent Application

Serial No. 09/753,074 filed on December 29, 2000, and issued as U.S. Patent No. 7,599,878

(hereinafter the "Atkinson Parent"). Applicants argue that the Atkinson Parent *does not* predate the filing date of the present application, but the Atkinson Parent is a Continuation-In-Part ("CIP") of U.S. Patent

Application Serial No. 09/252,790 filed on February 19, 1999 and issued as U.S. Patent No.

6,230,146 (hereinafter the "Atkinson Grandparent"). Applicants further argue that the Atkinson Grandparent *does* predate the actual filing date of the present application, and accordingly request that the Examiner provide a proper ground for rejection by citing the *actual reference* that predates the filing date of the present application - i.e., the Atkinson Grandparent. However, Atkinson is a proper reference. Atkinson claims priority to us-provisional-application US 60101141, filed 9/18/98, which does predate the filing date of the present application. When looking at us-provisional-application US 60101141, this provisional application teaches the claim limitations of the present invention.

For example, in reference to claims 1, 2, 20, 21, 24-26, 31,61-63, 88, 91, 93-96, us-provisional-application US 60101141 teaches:

identifying a product subject to bidding during an auction session/receiving an identification of a product/means for identifying a product subject to bidding during an auction session, (page 4, paragraph 2);

receiving a bid/a second bid/a prior bid/transmitting, across a computer network/means for receiving a bid for the product from a bidder during the auction session/receiving a bid for a product from a first bidder..., (page 5, paragraph 2).

determining, based on a reward rule, whether the bidder is qualified to receive a reward other than the product/determining, based on the bid whether the bidder is qualified to receive a reward/determining whether the greatest bid is at least equal...the bidder is

qualified to receive the reward/determining, based on the reward rule.../wherein the prior bid is received from the bidder/wherein the prior bid is received from a second bidder/establishing the reward rule.../means for determining, based on a reward rule.../determine, based on a reward rule.../determining, based on a reward rule.../determining that the required auction session conditions are satisfied by current auction data/ determining which of the bidders are qualified to receive an offer message, (page 5, paragraphs 5 and 6);

transmitting, to the bidder, if the bidder is qualified, an indication that the bidder is qualified to receive the reward/means for transmitting to the bidder, an indication that the bidder is qualified to receive the reward/retrieving required auction session conditions/transmitting an offer message to at least one qualified bidder/determining that the bidder accepted the offer/assigning a reward to the bidder/ transmitting, if the first bidder is qualified, an indication, (page 5, paragraph 6);

The process is repeated for a second bidder, (Fig 8).

a storage device, (Fig. 4)

As per claims 3, 13,14, 22, us-provisional-application US 60101141 teaches:  
determining whether the bid is greater than each of a plurality of remaining bids/prior bid/wherein the reward includes a condition that the bid from the bidder is greater than

each bid received from the plurality of remaining bidders/determining which of the at least one bids is a greatest bid, (clm 4).

As per claim 5, us-provisional-application US 60101141 teaches:

wherein the reward rule comprises a condition that the bidder accept an offer provided by a third party, (page 26, paragraph 1).

As per claim 6, us-provisional-application US 60101141 teaches:

Transmitting, before the determining step, an offer to the bidder for a second product provided by the third party; receiving an acceptance of the offer from the bidder; whereby the bidder is qualified to receive the reward, (claim 1, claim 10)

As per claims 7, 40, us-provisional-application US 60101141 teaches:

wherein the second product is a service, (col. 4, paragraph 2).

As per claims 11, 12, us-provisional-application US 60101141 teaches:

receiving at least one bid for the product from each of a plurality of remaining bidders/wherein the step of receiving at least one bid is performed prior to the step of receiving the bid, (page 5, paragraph 2, and claim 2).

As per claims 15, 16, 23, 28-30, us-provisional-application US 60101141 teaches:

wherein the reward rule comprises a condition that the bid from the bidder is greater than the greatest bid by a certain percentage/currency value/that the bid exceed a prior bid by a predetermined value, (claims 3 and 4).

As per claim 17, us-provisional-application US 60101141 teaches:  
wherein the reward rule comprises a condition that the bid is the first received bid, (claim 5).

As per claim 39, us-provisional-application US 60101141 teaches:

Receiving the bid from the bidder over one of a telecommunications network and the Internet, (Fig. 3).

As per claim 41, Atkinson et al discloses:  
providing the reward to the bidder, (page 5, paragraph 6).

Examiner therefore maintains the Atkinson et al reference.

Applicant also argues that the auction in Atkinson to which the Examiner cites is a supply contract auction. Suppliers bid on who gets to supply certain products to the buyer. Contrary to the Examiner's allegation that the products are *not* the "products" subject to bidding, applicant argues that the contracts themselves are the subject of the bidding and accordingly would be most equivalent to the claimed "product". However,

as previously argued, In this case, examiner interprets the items in the lot as the product, and the contract that is awarded the reward other than a product. As shown in [0036] of Atkinson et al, "Industrial buyers do not typically purchase one component at a time. Rather, they tend to purchase whole families of similar components. Therefore, in a typical industrial supplier-bidding auction, products are grouped together in "lots" of related items for bidding. In a regular lot bidding auction, each lot is composed of several "line items." In the regular lot bidding auction, the suppliers bid on each line item and the bidder 30 having the best bid for all of the parts in the lot is the best bidder 30. The best bidder 30 is typically awarded a contract to supply the items in the lot.". In this case, suppliers bid on each line item, where examiner interprets each line item as the product. Since each line item is the product, it is obvious that when the bidder is awarded a contract to supply the items in the lot, the bidder is awarded something other than the product since the bidder is not being awarded the line item.

### ***Conclusion***

16. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not

mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Akiba K Robinson-Boyce whose telephone number is 571-272-6734. The examiner can normally be reached on Monday-Friday 9am-5:30pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Hayes can be reached on 571-272-6708. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300. Information regarding the status of an application may be obtained from the

•Patent Application Information Retrieval (PAIR) system, Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-305-3900.

A. R. B.  
June 23, 2010

/Akiba K Robinson-Boyce/

Primary Examiner, Art Unit 3628